

food stamps

AMERICA'S SECOND HARVEST

issue brief

No. 5



The Food Stamp Program is the cornerstone in the nation's fight against hunger, yet the program is underutilized by large numbers of needy Americans. From 27.5 million low-income participants in 1994 to 21 million people in the program in 2003, food stamp usage has lagged as lines at food pantries and soup kitchens have grown.

Michelle's story

A single mother of two girls, Michelle receives no child support and, without a college degree, has had trouble finding a job where she lives in Portland, Oregon that will enable her to support herself and her family. Two years ago, she moved back in with her father while waiting to be selected for public housing and enrolled in job-training courses through the state as part of a self-sufficiency program that included food stamps. She says that while the program was beneficial, it was extremely difficult to navigate. *"It's almost like a part-time job just to get the assistance you need to become self-sufficient,"* she says. *"The application process for food stamps is ridiculous. You have to go in there to fill out the paperwork, and then you have to come back for them to set up an appointment for you. Then when you come back, they herd you through like cattle. Different people tell you different things. It's been a very confusing process."*

While she's had no luck with housing, Michelle was able to get a job she enjoys and excels at doing human resource assistance work for a medical company for less than \$200 a week. Although they provide no benefits, with the assistance she gets from the state — \$230 a month in food stamps, health insurance, and reduced-cost day care for her kids — Michelle can make ends meet each month as long as there are no unexpected expenses.

"Our healthcare doesn't cover medicine that can't be prescribed,"

Michelle says. *"Last month my daughter had a cold and I ended up spending \$50 in cold medicine. When things like that happen I skip meals. Sometimes I skip 2 or 3 meals a day to make sure that my daughters get fed."*

In December, Michelle got two pieces of bad news. First she was told that her job was moving 80 miles out of the city — a change that would add 20 hours a week to her already long commute. The company wants her to keep her job, but Michelle doesn't have a car and can't afford one. Then she got the notice that her food stamps were being cut to just \$69 a month.

"Nothing has changed," explains Michelle. *"I've worked the same hours and have gotten paid the same wage an hour since I first started. There was no explanation. And I was usually out of food stamps before the end of the month as it was. I don't know what I'm going to do. Everything I've worked so hard for in the last two years, I'm about to lose."*

While Michelle struggles to stay optimistic and figure out a way to manage her new commute, she worries about losing her food stamp benefits all together. *"If I do lose my job because I can't manage transportation, I don't even know if I'll be eligible for the \$69,"* Michelle explains. *"But I don't have the time it would take to call them and try to figure that out right now. I need to focus on keeping my job so I can feed my family."*

the facts: FOOD STAMPS

- >> In FY 2003, more than 21 million people received benefits through the Food Stamp Program per month (USDA program data).
- >> Over half (51%) of food stamp recipients are children and another 9% are age 60 or older (USDA-ERS, "Characteristics of Food Stamp Households: Fiscal Year 2002. ").
- >> In 2000, 8.8 million children received food stamps, making the Food Stamp Program a significant component in the well-being of children in many low-income households (USDA-ERS, "Food Stamp Benefits and Childhood Poverty in the 1990s. ").
- >> Over one fourth (28%) of food stamp households have earnings, up from 19% in 1990 (USDA-ERS, "Characteristics of Food Stamp Households: Fiscal Year 2002. ").
- >> For 84% of the A2H clients who are receiving food stamps, their food stamps last for three weeks or less (Hunger in America 2001).



America's Second Harvest
Ending Hunger

35 E. WACKER DRIVE
SUITE 2000
CHICAGO, IL 60601

WWW.SECONDHARVEST.ORG

food stamps

The Food Stamp Program is one of the most essential programs in the nation's effort to reduce and end hunger in America. Over the last thirty years, food stamps have become a crucial food and income support for the neediest Americans, and the lifeline for millions of low-income children who might otherwise go hungry. Despite the program's benefits, however, only 59% of all eligible Americans participated in the Food Stamp Program last year.¹

Issues in Food Stamps

Food stamp participation rates generally follow business cycles. The stronger economy of the late 1990s saw some reduction in food stamp participation, and, while food stamp use has risen during this latest recession, it did not rise enough to counter growing hunger and food insecurity in the nation. According to a newly released Economic Research Service report, nearly 35 million Americans faced hunger in 2002 and the number of Americans living in food insecure households has grown considerably since 2001.²

Too often, food stamp eligible non-participants who find themselves suddenly food insecure or at risk of hunger turn to food banks, pantries, and shelters for assistance rather than enrolling in the program. This trend was first identified in the mid-1990s and noted in a July 1999 General Accounting Office (GAO) report investigating the dramatic declines in food stamp participation, which concluded: "...[D]emand for food assistance by low-income families has increased in recent years, indicating that the drop in food stamp caseloads is not solely the result of a strong U.S. economy." America's Second Harvest's national study of the nation's hunger problem, *Hunger in America 2001*, substantiated the GAO findings by showing that less than a third (30%) of the people served by our network are enrolled in food stamps, even though more than two-thirds are income eligible.

So why don't needy, food insecure and hungry

people turn more often to food stamps? There are many reasons for low participation rates.

Food Stamp Access

An America's Second Harvest report, *The Red Tape Divide: A State by State Review of Food Stamp Applications* found that the average food stamp application in 2000 was 12 pages long. In contrast, a federal firearm application was 2 pages; a state bus driver application was also 2 pages. In 2000, most states still required a visit to a local welfare office just to get an application and begin the process — a process that would require attempting to fill out a long application, multiple visits to the office, and most often waiting up to 30 more days for the food stamp benefit to be issued.

According to a USDA report, the average food stamp application process required five hours of client time and at least two trips to the local welfare office in order to negotiate the application process — a daunting task for many working poor parents.³ "Recertification," a process of periodically renewing a household's eligibility for food stamps, occurs every six months or more frequently for families with earned incomes, and requires at least one additional trip to the food stamp office.⁴ Food stamp offices serving half of the national caseload do not offer extended business hours for application drop-off and interviews,⁵ making it difficult for the working poor to apply for and maintain their benefits.

Stigma and Misinformation

Low-income senior citizens faced with high prescription medicine costs are some of the most tragic cases of non-participation. They are often forced to make difficult choices between buying food or their medicine, but instead of supplementing their fixed income with needed food stamps, many seniors often misunderstand eligibility guidelines.⁶ Questions about income limitations, asset tests, and where they should go to receive the benefits often keep them from applying.

Many eligible adults who choose not to apply do so because "being on food stamps has a stigma."⁷ Of those getting food from America's Second Harvest, 7.2% of all clients interviewed reported that they chose not to apply for food stamps because of this social stigma, including feeling embarrassed about applying for or using the benefits.

Progress Made

In 2001, armed with the data on lengthening lines at food banks and soup kitchens and falling food stamp caseloads despite continued need, America's Second Harvest worked collaboratively with the nation's food stamp directors and advocacy organizations urging substantial food stamp reforms. Reforms included making many of the legal immigrants barred from the program in 1996 eligible and simplifying program rules. Congress invested more than \$8 billion in new food assistance funding for food stamps and to support food banks to help make food

stamps more accessible and easier for working families to stay enrolled in the program while they work towards self-sufficiency.

Further progress in helping food stamps work better for needy families began in 2003 when USDA, the federal agency responsible for food stamps, unveiled a national campaign aimed at increasing food stamp enrollments. The campaign includes media tools helping low-income families understand that they may be eligible for the program and the implementation of a web-based food stamp calculator tool that shows potential clients the amount for which they could be eligible. One of the most important activities to emerge in the reinvigorated Food Stamp Program is the public-private partnership between federal and state government, local hunger-relief charities and community groups all working closely together to help make food stamp benefits more accessible to eligible families, seniors, the working poor, and children.

NOTES

- 1 *Reaching Those in Need: State Food Stamp Participation Rates in 2000*, USDA – FNS, December 2002
- 2 *Household Food Security in the United States, 2002*
- 3 *Customer Service in the Food Stamp Program*, USDA, July 1999
- 4 *Ibid.*
- 5 *Food Stamp Program Access Study: Local Offices and Practices*, USDA – ERS, 2003
- 6 *Seniors' Views of the Food Stamp Program and Ways to Improve Participation – Focus Group Findings in Washington State*, USDA – ERS
- 7 *Stamping Out Hunger?: Exploring barriers to Food Stamps in New York City*, Amy Ravis, May 27, 2003

Marguerite's story

Marguerite works as the Education & Advocacy Coordinator for the Food Bank for Monterey County in California. There, among other things, she teaches a Hunger 101 class to help different community groups understand the real impact of hunger. One of her strengths as a teacher is the first-hand experience she brings to these classes. Until just a few months ago, she herself was struggling to make ends meet and relied on food stamps to get by.

Marguerite graduated from college with no

but that was in Monterey county which is incredibly expensive. I was living in a two bedroom apartment with 3 roommates, and I was paying \$300 in rent, not including utilities."

Marguerite applied for food stamps, and qualified for \$139 a month, but says the process was not what she was expecting. *"I was just amazed at how long and complicated the application was,"* she says. *"I had a very hard time figuring out what they wanted, what they were asking, and what certain questions meant. I must have been there for a good 4 hours,*

used coupons," she says, *"and shopped for food when I saw sales."*

Even though she struggled, Marguerite feels that, in many ways, she was lucky. *"I had incredibly understanding roommates,"* she says, so when she first moved into her apartment and the Food Stamp Program required she get them to write a letter saying they wouldn't share food with her, *"it wasn't too embarrassing."* She also had an understanding employer who let her take time off from work if she had to meet with a caseworker or

"but I can see how it's so easy for a person to go without food or lose their home. When you're living on such a small budget, if there's a problem – like a car breaking down, or a medical emergency – you might have to forgo food. I did have some car problems, and it was extremely, extremely tight."

Marguerite loves the work she is doing now with the food bank and uses her story when she can to try to get the food stamp application process simplified. *"When I go to meetings I do tell people that the application process can be*

"I was just amazed at how long and complicated the application was..."

savings and \$20,000 in student loans, but she had a strong drive to give back to her community. She signed up for a year of service with the Americorps Vista program — a domestic version of the Peace Corps — and worked with a homeless coalition in Monterey. *"The program wants you to live at the level of the people you're serving,"* Marguerite explains, *"so the stipend you receive is designed to keep you at the poverty level. I was making about \$750 a month before taxes,*

and I had to go back again for the orientation and the finger imaging." California is one of a growing number of states that requires applicants to be finger printed. *"I didn't like that,"* she says, *"and I know people are intimidated by it, and won't necessarily apply for food stamps because of it."*

While Marguerite says that the food stamps she received generally lasted through the month, she did have to supplement them with a monthly food box from the food bank. *"I also*

drop off a report. "There was a monthly reporting form that had to be mailed in each month, but a lot of times I wouldn't get it until the 2nd or 3rd and it was due on the 5th," she says. *"I was fortunate because I only worked 10 minutes away from the department of social services, so I didn't have to trust the mail service."*

Probably the luckiest thing of all for Marguerite was that she knew her situation was temporary. *"I knew I'd signed up for a year of service,"* she says,

very scary and intimidating. I just thought, 'wow.' I speak English, I understand what I'm doing, and I had all the supporting documentation they required. I can't imagine how difficult it would be for someone without those resources."



food stamps

Recommendations for Change

America's Second Harvest is the largest domestic hunger-relief organization in the United States. In addition to our primary mission of providing food assistance and charitable relief in every community in the U.S., America's Second Harvest also works to strengthen the federal nutrition programs. Federal, state and local governments have an important role in helping to alleviate hunger.

Conduct Outreach

The most critical aspect of food stamp access is in the area of outreach. Public education campaigns, like the one recently undertaken by the USDA, should continue to target specific populations who do not believe they are eligible for the program such as the elderly, who present the lowest participation rates of any demographic group,¹ people with disabilities, who have historically had difficulty accessing benefits, former welfare (TANF) recipients who believe they cannot receive any federal benefits since they are no longer eligible for welfare, and immigrants. Although many local offices have undertaken outreach activities, according to a recent USDA study, offices serving more than one-fourth of the national food stamp caseload still have not undertaken the necessary outreach steps.²

Improve Customer Service

According to *Hunger in America 2001*, 34% of all clients who have not applied for food stamps declare that inconvenience and hassle are the main reasons for not applying, including office staff being disrespectful or the food stamp office being too hard to reach or inconveniently located. A recent investigation of New York City food stamp offices revealed that some closed early and did not answer phones, while other office addresses were incorrectly listed and lacked application forms.³

Finger-printing and finger imaging (now common as a fraud investigation technique among offices serving one-quarter of the national caseload⁴) have not been shown to reduce fraud or abuse in the program, but do add to the program's stigma. America's Second Harvest is vigorously opposed to finger imaging/finger printing of food stamp applicants as it is unduly expensive to the program and only perpetuates the stigmatizing of participants.

Improve Accessibility

Since food stamps are only accessible to families that live at or below the poverty line, transportation can be a costly burden. In many parts of the country, especially rural areas, public transportation is very limited.⁵ According to USDA, only 60% of food stamp offices are accessible via

public transportation. For the elderly, driving to a food stamp office may be impractical without the aid of public transport. States should be encouraged to expand food stamp office hours and ensure that all food stamp offices are accessible by public transport or provide transportation vouchers..

Raise the Minimum Benefit Level

Food bank recipients report that, on average, food stamp benefits last for only 2.3 weeks out of any given month. The reason families that are on food stamps still have to turn to charities for aid is that food stamp benefits are abysmally low. The average food stamp benefit averages less than 70 cents a meal. For single parent households with children, that level of support is insufficient to keep hunger at bay.

Regular costs of living consume a substantial percentage of a low-income working family's budget. Department of Labor statistics show that many working poor families are employed in the service and retail sectors, which, typically, do not provide health care or retirement benefits. Studies also indicate that poor and working poor families may pay as much as 40% to 50% of their household income for housing and utility costs. Added to those is the rising cost of childcare. Raising

the minimum monthly food stamp benefit level from \$20 to \$50 would go a long way toward alleviating hardship in strained households.

Exempt a Vehicle

Food stamp eligibility requires a gross income of not more than 130% of poverty (100% of poverty net income) and limited assets. For many low-income people who do not own their own home, their largest asset is a vehicle. For food stamp purposes, the value of a vehicle (unless otherwise exempted) is counted as an asset against the household resources for food stamp participants and can prevent a family from receiving benefits.

States were given the option under the 2002 reforms to exclude one or all vehicles from the verification of household resources. While the vast majority of states have taken advantage of this option in one form or another, four states (IA, ID, GA, and MS) still have not. Through the elimination one vehicle from the asset counting, low-income working families will continue to have reliable transportation.

NOTES

- 1 *Food Stamp Participation by Eligible Older Americans Remains Low*, USDA – ERS
- 2 *Food Stamp Program Access Study: Local Offices and Practices*, USDA-ERS, 2003
- 3 *Elusive*, NY Times, 12/5/03
- 4 *Food Stamp Program Access Study: Local Offices and Practices*, USDA-ERS
- 5 *Ibid.*

The publication of this paper was made possible by an exclusive grant from the **Sara Lee Foundation**.

Sara Lee
Foundation

AMERICA'S SECOND HARVEST
35 E. WACKER DRIVE
SUITE 2000
CHICAGO, IL 60601

WWW.SECONDHARVEST.ORG